X-pand into the Future

e u r e x *circular 069/03*

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Recipients: All Eurex members and vendors
Authorized by: Daniel Gisler

1. **Holiday Regulations for August 1, 2003 – Swiss Holiday**
2. **Holiday Regulations for August 15, 2003 – Italian Holiday**
3. **Holiday Regulations for September 1, 2003 – US Holiday**

Related Eurex Circulars: 116/02, 037/03

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Content may be most important for:

- Front Office / Trading
- Middle + Back Office
- Auditing / Security Coordination

Attachments:

1. Holiday Regulations for August 1, 2003 – Swiss Holiday
2. Holiday Regulations for August 15, 2003 – Italian Holiday
3. Holiday Regulations for September 1, 2003 – US Holiday

1. Holiday Regulations for August 1, 2003 – Swiss Holiday

August 1, 2003 is the Swiss National Day and a holiday in Switzerland. However, as virt-x is open for trading on August 1, 2003 Swiss equity, index, and EXTF products will be open for trading at Eurex on that day. SWX Swiss Exchange is open, but there will be no Bond trading at SWX on that day and trading in CONF Futures at Eurex will not be possible. Due to the holiday in Switzerland, August 1, 2003 is a non-value date for Swiss Francs, and no payment transactions with SIC/SNB are possible on that day. In contrast. it will be possible to make cross-border deliveries in euro for euro-denominated products between Clearstream and SIS. The full regulations for the Swiss holiday on August 1, 2003 can be found in Attachment 1.

2. Holiday Regulations for August 15, 2003 – Italian Holiday

August 15, 2003, Ascension of Mary, is a holiday in Italy. The Italian stock exchange - Borsa Italia - will be closed and there will be no trading in Italian products on Eurex. It is also a non-value date in Italy, and settlement of Italian products between Clearstream Banking Frankfurt AG and Monte Titoli will not be possible. SIS SegaInterSettle AG, Zürich, and Clearstream Banking Frankfurt AG are open as usual on that day, so deliveries in non-Italian products (including cross-border settlement) can be carried out.

Note that as the Italian holiday falls on the third Friday of August, the Last Trading Day for the AUG03 expiration of Italian stock options will be Thursday, August 14, 2003.

Attachment 2 contains the full regulations for the Italian holiday on August 15, 2003.

3. Holiday Regulations for September 1, 2003 – US Holiday

September 1, 2003 is the Labor Day holiday in the US. Trading in US products at Eurex will take place as normal, but no settlement relating to US stock options between CBF and Depository Trust Company (DTC) will be possible on that day. Attachment 3 contains the full regulations for the US holiday on September 1, 2003.

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Regulations for August 1, 2003 – Trading Day for Swiss Equity and Index Products at Eurex – No Clearing of Swiss Products and Non-value date for CHF

1. Procedures for August 1, 2003
2. Special Considerations for the Exchange Day Following the Holiday – August 4, 2003

1. Procedures for August 1, 2003

August 1, 2003 is the Swiss National Day and a holiday in Switzerland. SWX Swiss Exchange will be open on that day but there will be no Bond trading at SWX and trading in CONF Futures at Eurex will not be possible. Virt-x is open as usual on August 1, 2003 and trading in Swiss equity, EXTF and index products on Eurex will take place as normal. August 1, 2003 is a non-value date for Swiss Francs, such that no Swiss payment transactions with SIC/SNB will be possible on the day. Settlement of Swiss products through SIS SegaInterSettle AG, Zurich, will also not be possible. In contrast, it will be possible to make cross-border deliveries in euro for German, French, Italian, Finnish, Dutch and US products between Clearstream and SIS SegaInterSettle.

1.1 No Trading in the Swiss Capital Market Product CONF Future

No trading will be possible in the CONF Future. No historical transactions from trading on July 31, 2003 will be possible, and no Exercises, Give-ups, Take-ups, or Position Adjustments can be performed in these products on August 1, 2003.

1.2 Trading in all Products except the CONF Future

With the exception of the CONF future, all other products can be traded on Eurex as normal throughout the day. There are no related restrictions, which means that Trade Adjustments (including historical trade transactions), Exercises, Give-Ups, Take-ups, or Position Adjustments can be carried out.

For all open products the usual trading hours and normal end of the post-trading periods will apply on August 1, 2003. Exercises can be carried out until the normal times.

1.3 Access to Eurex

All Trading members will have access to the Eurex system on August 1, 2003 and will be able to trade all futures and options products with the exception of the CONF Future.

1.4 CHF Payments from non-Swiss Clearing Members

The cash-calls calculated in CHF from the overnight batch processing of July 31, 2003 (Premium, Variation Margin) cannot be transferred to the SIC system on August 1, 2003 as a result of the holiday. The amounts, including any payments resulting from use of the "Position with Cash Transfer" function will be debited or credited to members' SIC accounts one exchange day later, on Monday August 4, 2003.

As trading in Swiss equity and index products is possible on August 1, 2003 the cash calls calculated in CHF from the overnight batch on August 1, 2003, including any payments resulting from use of the "Position with Cash Transfer" function" will be due on August 4, 2003.

Because of the procedures described above, two payment instructions could appear on a member's SIC account on August 4, 2003, from the batches of 31 July, and August 1, 2003.

1.5 CHF Payments from Swiss Clearing Members

The cash-calls calculated in CHF from the overnight batch processing of July 31, 2003 (Premium, Variation Margin, plus any Additional and Futures Spread Margin) will not be debited or credited to members' SIC accounts on August 1, 2003. The amounts will be transferred one exchange day later on August 4, 2003 by debit or credit to the cash accounts at SIC. Any cash amounts (Additional or Futures Spread Margins) resulting from the overnight batch of August 1, 2003 will also be debited or credited to the SIC account on August 4, 2003.

Contrary to the cash-calls described above, Margin Calls in CHF on August 1, 2003 from the overnight batch on July 31, 2003 are possible. The equivalent amount of these Margin Calls must be deposited for one day in euro at the member's Bundesbank cash account. Non-compliance will result in the application of the Eurex default procedure pursuant to section 1.7 of the Clearing Conditions of Eurex Clearing AG. After completion of settlement in CHF on August 4, 2003, the euro amounts deposited on August 1, 2003 by Swiss Clearing members will be repaid.

Payment instructions from the overnight batch of July 31, 2003 and August 1, 2003 resulting from use of the Position Transfer with Cash Transfer facility will be transferred to the SIC System on August 4, 2003 at the normal times. These amounts will be debited or credited to members SIC accounts on the same day.

Due to the procedures described above, on August 4, 2003 it is possible that two payment instructions could appear on a member's SIC account resulting from the batches of July 31, and August 1, 2003.

No CHF payments relating to collateral management can be carried out on August 1, 2003.

1.6 Euro Payments from Non-Swiss Clearing Members

The cash amounts (Cash Calls) calculated in euro for Premium and Variation Margin, as well as possible Margin Calls, and payments from use of the Position Transfer with Cash Transfer facility, from the batch of July 31, 2003 will be credited or debited to members' cash accounts at the Bundesbank on August 1, 2003, as on any normal day.

1.7 Euro Payments from Swiss Clearing Members

The euro payments due from Swiss Clearing members (Premium, Variation Margin) as well as any payments from use of the Position Transfer with Cash Transfer facility, from the batch of July 31, 2003 will be booked to the cash accounts at the Bundesbank on August 1, 2003. The Eurex default procedure, pursuant to section 1.7 of the Clearing Conditions of Eurex Clearing AG will be applied in case of default.

Premium and Variation Margin for euro-denominated products traded on August 1, 2003 by Swiss Clearing Members or their NCMs will be due as normal on the following exchange day, August 4, 2003.

1.9 SIS Deliveries of Swiss Products

As a result of the suspension of service by SIS on August 1, 2003, delivery instructions for Swiss products cannot be carried out on that day. The corresponding deliveries will be made one day later. For all deliveries due or pending on August 1, 2003 (exercises from July 29, July 30, and July 31, 2003) the value date will be extended by the system by one day. Value dates shown on Eurex reports will be automatically adjusted correctly. Furthermore, no collateral management transactions involving Swiss products can be carried out on August 1, 2003.

Tuesday 29.07.03	Wednesday 30.07.03	Thursday 31.07.03	Friday 01.08.03	Monday 04.08.03	Tuesday 05.08.03	Wednesday 06.08.03	Thursday 07.08.03
Exercise/ Assignment Day T	Day T+1	Day T+2	Plus 1 day	**Delivery at SIS Day T+4**			
	Exercise/ Assignment Day T	Day T+1	Plus 1 day	Day T+3	**Delivery at SIS Day T+4**		
		Exercise/ Assignment Day T	Plus 1 day	Day T+2	Day T+3	**Delivery at SIS Day T+4**	
			Exercise/ Assignment Day T	Day T+1	Day T+2	**Delivery at SIS Day T+3**	
				Exercise/ Assignment Day T	Day T+1	Day T+2	**Delivery at SIS Day T+3**

1.8 Clearstream and Cross-border Deliveries

The business operations of Clearstream Banking AG are not affected by the holiday and all delivery instructions in German, Finnish, French, Dutch, Italian and US products can be executed. Cross-border settlement is also possible. SIS will keep the "German, Finnish, French, Dutch, Italian, and US Products" segment open, so that deliveries in these products with and between Swiss Clearing members can be carried out as on a normal trading day. Deliveries from exercise/assignment of cross-border instructions will be settled at T+2 for German products, T+3 for French, Italian, Dutch and US products, and T+4 for Finnish products.

1.10 Margin Calculations

On August 1, 2003 the Eurex Clearing house will levy margin requirements for all products. As Swiss equity, EXTF, and index products can be traded on August 1, 2003 additional Margin will be calculated for these products as usual. Settlement prices and theoretical prices will be re-calculated as on any normal day.

For the CONF Future, on August 1, 2003 it is foreseen to use the settlement prices from the previous trading day (July 31, 2003), with the value for the Days-to-Expiration decreased by one day. The theoretical prices for all products will be re-calculated. For the CONF future the theoretical prices will show only a small change as a result of the holiday.

1.11 BOF Information VALUES Broadcasts

On August 1, 2003 complete BOF Information VALUES broadcasts will be sent to members as appropriate. As on any normal day, settlement prices for Swiss equity and index products on August 1, 2003 will be recorded after close of trading and will be sent to members as corresponding BOF broadcasts. These settlement prices will be newly calculated as on any other day. New theoretical prices for all products (as on any normal day) will be generated during the batch and transmitted to members after the calculation.

The settlement prices for the CONF future will be fixed during the course of the morning of August 1, 2003 and will be sent to members as corresponding BOF broadcasts. These settlement prices will be identical to those of the previous exchange trading day (July 31, 2003).

1.13 Netting of Swiss Equity and Index Positions on July 31, August 1 and August 4, 2003

Swiss positions in equity and index products from July 31, 2003 can be closed until 13:30 CET on August 1, 2003 without incurring charges. By close of trading on August 1, 2003, positions in Swiss equity and index products from the same day can be closed without charges. On August 4, 2003, historical transactions in Swiss equity and index products are possible. On August 4, 2003 positions from August 1, 2003 can be closed out until 13:30 CET without incurring late closing fees.

1.14 Netting of CONF Futures Positions on July 31, August 1 and August 4, 2003

Positions in the CONF future from July 31, 2003 can be closed out until close of trading on that day without incurring charges. No trading in the CONF future is possible on August 1, 2003 and no historical transactions can be carried out. On August 4, 2003 positions from July 31, 2003 in this product can be closed out until 13:30 CET without incurring late closing fees.

2. Special Considerations for the Exchange Day Following the Holiday – August 4, 2003

2.1 Trading in the CONF Future

The CONF future can be traded again on August 4, 2003, but no historical transactions can be carried out in the product.

2.2 SIC Accounting

As already advised, on August 4, 2003, SIC will receive two invoices or payment advices from Eurex for all Clearing members, resulting from the batch processing of July 31, 2003 and August 1, 2003. Clearing members are encouraged to make corresponding CHF arrangements in good time. Margin Calls for Swiss Clearing Members resulting from positions from July 31, 2003 will be taken into account in the payment advices.

In addition, SIC may receive further invoices or payment advices for each Clearing member, resulting from use of the 'Position Transfer with Cash Transfer' facility on July 31 and August 1, 2003.

2.3 Open Delivery Instructions (Excluding Cross-border) at SIS

SIS will resume normal business on August 4, 2003, such that delivery instructions in Swiss products between all Clearing Members can be executed as normal.

2.4 Collateral Management

Collateral management transactions involving CHF payments at SNB or Swiss products at SIS can be carried out as normal.

Regulations for the Holiday on August 15, 2003 - Ascension of Mary - No Trading in Italian Products

1. Procedures for August 15, 2003
2. Special Considerations for the Exchange Day Following the Holiday

1. Procedures for August 15, 2003

August 15, 2003, Ascension of Mary, is a holiday in Italy. The Italian stock exchange - Borsa Italia - will be closed and there will be no trading in Italian products on Eurex. It is also a non-value date in Italy, and settlement of Italian products between Clearstream Banking Frankfurt AG and Monte Titoli will not be possible. SIS SegaInterSettle AG, Zürich, and Clearstream Banking Frankfurt AG are open as usual on that day, so deliveries in non-Italian products (including cross-border settlement) can be carried out. **Note that as the Italian holiday falls on the third Friday of August, the Last Trading Day for the AUG03 expiration of Italian stock options will be Thursday, August 14, 2003.**

1.1 Italian Products

No trading will be possible in Italian products on August 15, 2003. No Trade Adjustments or historical transactions on trades from August 14, 2003 will be possible, and no Exercises, Give-ups, Take-ups, or Position Adjustments can be performed.

1.2 Trading in non-Italian products

All non-Italian products can be traded as normal throughout the day. There are no related restrictions, which means that Trade Adjustments, including historical transactions, Exercises, Give-ups, Take-ups, and Position Adjustments can be carried out.

1.3 Access to the Eurex System

All Trading members will have access to the Eurex system and will be able to trade all non-Italian options and futures products.

1.4 CHF Payments

The cash-calls calculated in CHF from the overnight batch processing of August 14, 2003 (Premium and Variation Margin for non-Swiss Clearing members, Premium, Variation Margin, and Additional Margin for Swiss Clearing members, and any payments resulting from use of the 'Position Transfer with Cash Transfer' function) will be transferred to the SIC system on August 15, 2003 at the appropriate times, as on any normal day. The amounts will be debited or credited to the members' SIC accounts on the same day.

1.5 Euro Payments

The cash amounts (Cash Calls) calculated in euro for Premium and Variation Margin, as well as possible Margin Calls for non-Swiss Clearing members, and Premium, Variation Margin for Swiss Clearing members, and any payments resulting from use of the 'Position Transfer with Cash Transfer' function from the batch of August 14, 2003 will be credited or debited to members' cash accounts at the Bundesbank on August 15, 2003 at the appropriate times, as on any normal day.

1.6 Clearstream and SIS Deliveries

The business operations of Clearstream and SIS are not affected by the holiday in Italy, and delivery instructions in German, Swiss, Finnish, French, US, Dutch, and EXTF products can be executed. Cross-border settlement is also possible. Italian products will be settled one day later than normal (plus one day). For all deliveries of Italian products due or pending on August 15, 2003 (exercises from August 12, to August 14, 2003) the value date will be extended by the system by one day to T+4. Value dates shown on Eurex reports will be automatically adjusted correctly. No collateral management transactions involving Italian products can be carried out on August 15, 2003.

Italian Products:

Tuesday 12.08.2003	Wednesday 13.08.2003	Thursday 14.08.2003	Friday 15.08.2003	Monday 18.08.2003	Tuesday 19.08.2003	Wednesday 20.08.2003	Thursday 21.08.2003
Exercise/ Assignment Day T	Day T + 1	Day T + 2	plus 1 Day	**Delivery at Clearstream Day T + 4**			
	Exercise/ Assignment Day T	Day T + 1	plus 1 Day	Day T + 3	**Delivery at Clearstream Day T + 4**		
		Exercise/ Assignment Day T	plus 1 Day	Day T + 2	Day T + 3	**Delivery at Clearstream Day T + 4**	
			No Exercise/ Assignment	Exercise/ Assignment Day T	Day T + 1	Day T + 2	**Delivery at Clearstream Day T + 3**

1.7 Margin Calculations

On August 15, 2003 the Eurex Clearing House will levy margin requirements for all Eurex products. Additional Margin will be calculated for Italian products, although the products cannot be traded. On August 15, 2003 it is foreseen to use the settlement prices from the previous trading day (August 14, 2003) for Italian products, with the value for the Days-to-Expiration decreased by one day. The theoretical prices for all products will be re-calculated. For Italian products the theoretical prices will show only a small change as a result of the holiday.

1.8 BOF Information VALUES Broadcasts

On August 15, 2003 complete BOF Information VALUES Broadcasts will be sent to members as normal.

1.9 Trading Times for Non-Italian Products

Normal trading hours for non-Italian products will apply on August 15, 2003, and their post-trading periods will end as on normal days. Exercises can be carried out until the usual times. **Note that August 15, 2003 is the Last Trading Day for the AUG03 expiration of non-Italian stock options and index options.**

1.10 Settlement Prices for Italian Products

Settlement prices for Italian products will be fixed during the course of the morning of August 15, 2003 and will be sent to members as corresponding messages in the BOF Information broadcast stream. These settlement prices will be identical to those of the previous exchange trading day (August 14, 2003).

1.11 Netting of Italian Positions on August 14 and August 18, 2003

Italian positions from August 14, 2003 can be closed out on the same day until 13:30 CET without incurring any late closing charges. By close of trading, positions from August 14 can also be closed without charges. No historical transactions in Italian products are possible on August 15, 2003. On August 18, 2003 positions from trading in Italian products on August 14, 2003 may be closed out until 13:30 CET without incurring late closing fees.

2. Special Considerations for the Day Following the Holiday – Monday, August 18, 2003

2.1 Trading in Italian Products

All Italian products can be traded again on August 18, 2003 but no historical trade transactions can be carried out on that date. However, for Italian products, it will be possible to close positions from August 14, 2003 until 13.30 CET on August 18, 2003 without incurring late closing fees.

2.2 SIC and Bundesbank Accounting

On August 18, 2003 SIC and the Bundesbank will receive one invoice or payment advice from Eurex for all Clearing members from the normal batch processing of August 15, 2003. In addition, SIC and the Bundesbank may receive further invoices or payment advices for each Clearing member, resulting from use of the 'Position Transfer with Cash Transfer' facility.

2.3 Open Delivery Instructions at Clearstream

On August 18, 2003 delivery instructions in Italian products can be executed again between all Clearing members.

2.4 Collateral Management

Collateral management transactions involving Italian products can be carried out as normal.

Holiday Regulations for September 1, 2003 – Labor Day – Trading day for US Stock Products but no Clearing and Non-value Date

1. Procedures for September 1, 2003

2. Special Considerations for the Day Following the Holiday

1. Procedures for September 1, 2003

September 1, 2003 is the Labor Day holiday in the USA. Settlement of US products via Clearstream Banking Frankfurt (CBF) with DTC (Depository Trust Company) is not possible on an American holiday. All other euro-denominated products can be delivered by CBF, and all Swiss products can be delivered via SegaInterSettle (SIS). Equally, cross-border deliveries in CHF for Swiss products and in euro for all non-US euro-denominated products can be carried out.

1.1 Trading in all products

All Eurex products, including US products, can be traded at Eurex during their normal trading periods on September 1, 2003. There are no related restrictions, which means that Trade Adjustments (incl. historical transactions), Exercises, Give-ups, Take-ups and Position Adjustments can be carried out.

1.2 Access to the Eurex System

All Trading members will have access to the Eurex system and will be able to trade all futures and options products.

1.3 CHF Payments from Clearing Members

The cash-calls calculated in CHF from the overnight batch processing of August 29, 2003 (Premium and Variation Margin for non-Swiss Clearing members, and Premium, Variation Margin, and Additional Margin for Swiss Clearing members, and any payments resulting from use of the 'Position Transfer with Cash Transfer' function) will be transferred to the SIC system on September 1, 2003 as on any normal day. The amounts will be debited or credited to the members' SIC accounts on the same day.

1.4 Euro Payments from Clearing Members

The cash amounts (Cash Calls) calculated in euro for Premium and Variation Margin, as well as possible Margin Calls for non-Swiss Clearing members, and Premium, Variation Margin for Swiss Clearing members, and any payments resulting from use of the 'Position Transfer with Cash Transfer' function from the batch of August 29, 2003 will be credited or debited to members' cash accounts at the Bundesbank on September 1, 2003, as on any normal day.

1.5 Clearstream and SIS Deliveries

The business operations of Clearstream and SIS are not affected by the holiday in America, and delivery instructions in non-US products can be executed. Cross-border settlement is also possible. Corresponding deliveries of US products will be settled one day later than normal (plus one day). For all deliveries of US products due across September 1, 2003 (exercises from August 27 to August 29, 2003) the value date will be extended by the system by one day to T+4. Value dates shown on Eurex reports will be automatically adjusted correctly.

US Products:

Wednesday 27.08.2003	**Thursday 28.08.2003**	**Friday 29.08.2003**	**Monday 01.09.2003**	**Tuesday 02.09.2003**	**Wednesday 03.09.2003**	**Thursday 04.09.2003**	**Friday 05.09.2003**
Exercise/ Assignment Day T	Day T + 1	Day T + 2	(plus 1 Day)	**Delivery at CBF Day T + 4**			
	Exercise/ Assignment Day T	Day T + 1	(plus 1 Day)	Day T + 3	**Delivery at CBF Day T + 4**		
		Exercise/ Assignment Day T	(plus 1 Day)	Day T + 2	Day T + 3	**Delivery at CBF Day T + 4**	
			Exercise/ Assignment Day T	Day T + 1	Day T + 2	**Delivery at CBF Day T + 3**	
				Exercise/ Assignment Day T	Day T + 1	Day T + 2	**Delivery at CBF Day T + 3**

1.6 Margin Calculations

On September 1, 2003 the Eurex Clearing House will levy margin requirements for all Eurex products. For the US products, Additional Margin will be calculated as normal and new settlement prices will also be calculated as on normal days.

1.7 BOF Information VALUES Broadcasts

On September 1, 2003 complete BOF Information VALUES-API Broadcasts will be sent to members as appropriate.

1.8 Settlement Prices for US Products

Settlement prices for US products will be fixed after the close of trading on September 1, 2003, as on normal days, and will be sent to members as corresponding BOF Information VALUES-API broadcasts. These settlement prices will be newly calculated as on normal days. New theoretical prices for all products, as on any normal day, will be generated during the batch and transmitted to members after the calculation.

1.9 Netting of US Positions on August 29, September 1, and September 2, 2003

US positions from August 29, 2003 can be closed out until 13.30 CET on September 1, 2003 without incurring late closing fees. By close of trading on September 1, 2003 positions from the same day can be closed out without charges. Historical transactions in US products are possible on September 2, 2003. On September 2, 2003 positions from September 1, 2003 can be closed out until 13.30 CET without incurring late closing fees

2. Special Considerations for the Day Following the Holiday – Tuesday September 2, 2003

2.1 Trading in US Products

All products can be traded as normal on September 2, 2003.

2.2 SIC and Bundesbank Accounting

As normal, SIC and the Bundesbank will receive one invoice or payment advice from Eurex for all Clearing members from the batch processing of September 1, 2003. In addition, SIC and the Bundesbank may receive further invoices or payment advices for each Clearing member, resulting from use of the 'Position Transfer with Cash Transfer' facility.

2.3 Open Delivery Instructions at Clearstream

On September 2, 2003 delivery instructions in US products can be executed again between all Clearing members.